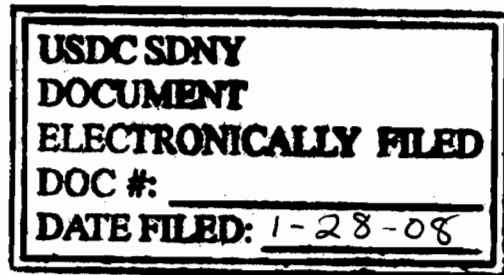


Swad, J
Part I



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

ROBERT CLARKE, Individually and On
Behalf of All Others Similarly Situated,

Plaintiff,

v.

SECURITY CAPITAL ASSURANCE LTD,
PAUL S. GIORDANO, DAVID P. SHEA, XL
INSURANCE LTD, MERRILL LYNCH,
PIERCE, FENNER & SMITH, INC.,
GOLDMAN, SACHS & CO., and J.P.
MORGAN SECURITIES INC.,

Defendants.

08 Civ. 0158 (UN)

STIPULATION AND [PROPOSED] ORDER
EXTENDING TIME TO RESPOND TO COMPLAINT

TO THE HONORABLE COURT:

IT IS HEREBY STIPULATED AND AGREED, by counsel for the parties listed
below, that:

1. Defendants Security Capital Assurance Ltd, Paul S. Giordano and David
P. Shea shall not be required to respond to the Complaint in this case until 60 days after
the later of (i) the appointment of lead plaintiff(s) and lead counsel pursuant to the
provisions of the Private Securities Litigation Reform Act of 1995 or (ii) the filing of a
consolidated amended complaint, subject to any further Orders of this Court.

2. Following the appointment of lead plaintiff(s) and lead counsel, lead plaintiff(s) shall have 60 days to file a consolidated amended complaint, subject to any further Orders of this Court.

3. By entering into this stipulation, defendants Security Capital Assurance Ltd, Paul S. Giordano and David P. Shea do not waive any defenses that otherwise could be asserted through a motion pursuant to Fed. R. Civ. P. 12 or otherwise.

Dated: New York, New York
January 22, 2008



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Dated: New York, New York
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Attorneys for Defendants Security Capital
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David P. Shea

SO ORDERED this 29 day of Jan, 2008.


United States District Judge

Paul S. Giordano